



U.S. Department of the Interior
Office of Inspector General

SPECIAL REPORT

**CASE WORK LOAD MANAGEMENT
AT THE HEARINGS DIVISION,
OFFICE OF HEARINGS AND APPEALS,
DEPARTMENT OF THE INTERIOR**

**REPORT NO. 96-I-1055
JULY 1996**



United States Department of the Interior

OFFICE OF INSPECTOR GENERAL
Washington, D.C. 20240

JUL 24 1996

MEMORANDUM

TO: The Secretary

FROM: Wilma A. Lewis
Inspector General

SUBJECT SUMMARY: **Final Special Report for Your Information** "Case Work Load Management at the Hearings, Division, Office of Hearings and Appeals, Department of the Interior" (No. 96-I-1055)

Attached for your information is a copy of the subject final special report. The objective of our review, which was requested by the Director, Office of Hearings and Appeals, was to determine whether the Hearings Division was managing its case work load in an efficient and effective manner.

Based on our review, we identified areas where costs savings could be achieved and/or the efficiency of case monitoring and processing could be improved as follows: (1) some of the field offices could be consolidated; (2) clerical pools could be established to enhance case processing; (3) the automated case tracking systems for Indian probate and public lands cases could be enhanced; and (4) the automated Indian probate case processing system developed by a Hearings and Appeals task force could be utilized more fully. In addition, we believe that relocating the Office of the Director's White Earth Land Settlement Act office to the Twin Cities office and consolidating and relocating certain field offices would result in cost savings of about \$161,000 in the first year of consolidation and about \$747,000 per year thereafter. The Director agreed with our recommendations to: (1) consider the results of our analysis in making any decisions regarding the closure or consolidation of field offices; (2) establish administrative support pools in those field offices that have more than one administrative law judge; (3) require all field offices to use the automated Indian probate case processing system for issuing notices and preparing decisions; and (4) implement an improved public lands case tracking system in the field offices.

If you have any questions concerning this matter, please contact me at (202) 208-5745 or Ms. Judy Harrison, Assistant Inspector General for Audits, at (202) 208-4252.

Attachment



United States Department of the Interior

OFFICE OF INSPECTOR GENERAL
Washington, D.C. 20240

JUL 24 1996

SPECIAL REPORT

Memorandum

To: Director, Office of Hearings and Appeals

From: Judy Harrison *Robert J. Williams*
Assistant Inspector General for Audits

Subject: Final Special Report on Case Work Load Management at the Hearings Division, Office of Hearings and Appeals, Department of the Interior
(No. 96-I-1055)

INTRODUCTION

This report presents the results of our review of case work load management at the Hearings Division, Office of Hearings and Appeals, Department of the Interior. The review was initiated in response to an August 1, 1995, request from the Director, Office of Hearings and Appeals, for us to determine whether the Hearings Division was managing its case work load in an efficient and effective manner.

BACKGROUND

The Office of Hearings and Appeals was created in July 1970 by delegation of the Secretary of the Interior to consolidate the various public lands hearings and appeals functions and Indian probate hearings throughout the Department of the Interior. Hearings and Appeals is responsible for quasi-judicial and appellate functions within the Department and consists of the Office of the Director, the Hearings Division, and three appeals boards: the Interior Board of Land Appeals, the Interior Board of Contract Appeals, and the Interior Board of Indian Appeals. Administrative judges within the three designated boards of appeal render decisions in cases pertaining to public lands, contract disputes, and appeals from the determinations of the Bureau of Indian Affairs. In addition, the Office of the Director renders decisions on all appeals that are not within the jurisdiction of an established appeals board.

Administrative law judges within the Hearings Division conduct hearings and render decisions on cases pertaining to public and acquired lands and their resources and to Indian probate matters. Public lands cases are diverse and include those cases

heard under various laws, such as the Mining Act of 1872, the Federal Land Policy and Management Act of 1976, the Surface Mining Control and Reclamation Act of 1977, the Federal Oil and Gas Royalty Management Act of 1982, and the Endangered Species Act. Although public lands cases represented only about 11 percent of the case work load as of April 30, 1996, these cases generally involve more complex issues and may take several years to complete.

Indian probate cases are less complex, with most of the preliminary work being performed by support staff. Hearings are scheduled when a sufficient number of cases are accumulated for the same tribe or geographical area and are held on a reservation or at a location convenient to the interested parties. The hearings generally last from 5 minutes to 1 hour, with the average hearing lasting 30 minutes.

For fiscal year 1995, Hearings and Appeals had a budget of about \$6.8 million and was authorized 89 full-time equivalent positions. For fiscal year 1996, Hearings and Appeals had a budget of \$7 million and was authorized 84 full-time equivalent positions. Since Hearings and Appeals does not separate its budget between the Hearings Division and appeals boards, we estimated that, based on historical costs, the Hearings Division will receive about \$3.2 million to conduct its activities during fiscal year 1996.

During its initial full year of operation, in 1971, the Hearings Division maintained 12 field offices, which had 55 employees: 9 offices, with 32 employees, that processed Indian probate cases and 3 offices, with 23 employees, that processed public lands cases. Significant reductions have taken place since that time, and, as of April 30, 1996, the Hearings Division had only 37 full-time equivalent positions authorized, with 33 full-time equivalent employees on board: 1 at the Hearings and Appeals headquarters office in Arlington, Virginia, and 32 at the eight field offices as follows:

<u>Office Location</u>	<u>Judges</u>	<u>Attorneys</u>	<u>Support</u>	<u>Total</u>
Albuquerque, New Mexico	1	0	2	3
Billings, Montana	1	0	1	2
Knoxville, Tennessee	2	1	2	5
Oklahoma City, Oklahoma	1	0	2	3
Phoenix, Arizona	1*	1	2	4
Sacramento, California	1	0	2	3
Salt Lake City, Utah	3	2	2	7
Twin Cities, Minnesota	2	0	3	5
Totals	<u>12</u>	<u>4</u>	<u>16</u>	<u>32</u>

* The Phoenix office, had two administrative law judges until April 30, 1996. One judge, who was on detail from the Salt Lake City office, retired in May 1996.

In addition to the above offices, an administrative judge and two support staff were located in a separate office in Phoenix. This separate office is primarily responsible for the White Earth Land Settlement Act of 1985 (Public Law 100-212) cases and reports to the Office of the Director.

Until March 1995, the work load of two of the field offices (Salt Lake City and Knoxville) consisted primarily of public lands cases, and the work load of the remaining six offices consisted of Indian probate cases. In March 1995, Hearings and Appeals implemented a cross-utilization plan, whereby staff in each field office worked on both types of cases.

SCOPE OF REVIEW

Our review was conducted in response to an August 1, 1995, request from the Director, Office of Hearings and Appeals, to determine whether the Hearings Division was managing its case work load in an efficient and effective manner. We limited our review to the five issues identified in the Director's request: (1) the average case work load of each office; (2) the use of judicial assets; (3) the implementation of cross-utilization of administrative law judges for both probate and public lands cases; (4) the administrative staffing of each office in terms of work load and personnel requirements; and (5) the adequacy of equipment support.

Our review was conducted from February through June 1996 and included visits to Hearings and Appeals headquarters office in Arlington; the Hearings Division's offices in Phoenix, Salt Lake City, Twin Cities, and Knoxville; and the White Earth Land Settlement Act office in Phoenix. Our review included interviews with judges and support staff personnel at these locations to determine their specific work processes, accomplishments, and duties and the types of office equipment used at each office visited. Also, we examined case work load statistics and financial, organizational, and other documentation. In addition, we contacted the four other Division field offices to obtain selected information.

During our survey, we concluded that we could not adequately assess the impact of the implementation of cross-utilization of administrative law judges because of the recency of that action but that the implementation has enabled Hearings and Appeals to recognize the opportunity or need to address the issue of consolidation. We also concluded that some offices needed additional administrative support, as well as other improvements such as computer equipment and software, to improve the timeliness of case dispositions. At our briefing with Hearings and Appeals officials, we informed the officials that the remainder of our review would focus on the options of consolidating field offices or of transferring work loads between offices to achieve more efficient use of judicial assets.

Throughout our review, we coordinated closely with Hearings and Appeals officials to evaluate various options and alternatives for achieving cost savings and improving the efficiency of operations, including the consolidation of field offices. Our analysis of various options for consolidation considered several factors: (1) the work load of each office, including the numbers and types of cases (Indian probate and public lands); (2) the geographic location of the work load; (3) the potential cost savings from reductions in staffing and office space; (4) additional costs for relocation and severance pay; (5) increases in efficiency and productivity resulting from the consolidation of support staff; and (6) concerns of Hearings and Appeals officials regarding the impact of certain offices being closed at this time.

PRIOR AUDIT COVERAGE

Neither the General Accounting Office nor the Office of Inspector General has issued any audit reports on the Office of Hearings and Appeals during the past 5 years.

DISCUSSION

We identified several areas where costs savings could be achieved and/or the efficiency of case monitoring and processing could be improved at the Hearings Division as follows: (1) some of the field offices could be consolidated; (2) a clerical pool could be established to enhance case processing; (3) the automated case tracking systems for Indian probate and public lands cases could be enhanced; and (4) the automated Indian probate case processing system developed by a Hearings and Appeals task force should be utilized more fully. In addition, we believe that relocating the Office of the Director's White Earth Land Settlement Act office to Twin Cities could result in additional cost savings. We estimated that consolidation and relocation of certain field offices would result in cost savings of about \$161,000 in the first year of consolidation and about \$747,000 per year thereafter (see Appendices 1 and 2).

Reorganization of Field Offices

The Departmental Manual (DM 101) requires that organizations be structured to operate effectively and efficiently, eliminate unnecessary or excess organizational positions, and carry out program objectives in a cost-effective manner. Also, the Code of Federal Regulations (5 CFR, Subpart B, 351.201 (a)(1)) states that each agency is responsible for determining the categories within which positions are required; where they are to be located; and when they are to be filled, abolished, or vacated. In response to recent and anticipated budget reductions throughout the Federal Government, many agencies have initiated reorganizations in order to continue to carry out their programs effectively at reduced funding and staffing

levels. For fiscal year 1996, the Hearings and Appeals staffing level was reduced from 89 full-time equivalent positions to 84 positions, which has precluded the Hearings Division from filling the 4 positions that were vacant as of April 30, 1996. This decrease in funded positions is occurring while the current work load and the backlog of Indian probate and public lands cases pending are increasing significantly. For example, from fiscal years 1991 through 1995, the number of Indian probate case decisions increased from 2,747 to 3,090, respectively. However, the number of backlogged Indian probate cases pending increased from 3,134 to 3,710, which equated to a 14.4-month backlog¹(Appendix 4). During that time frame, the productivity (number of cases decided annually) of the administrative law judges varied. For Indian probate cases, the average number of case decisions for judges during fiscal years 1991 through 1995 ranged from 322 to 447, and the number of judges on board decreased from 13 to 12. As of April 30, 1996, the inventory of cases was 3,727, of which 410 were public lands cases (Appendix 3) and 3,317 were Indian probate cases (Appendix 4). Because of the decreased staffing and increased work load, we believe that the available resources should be utilized as effectively and efficiently as possible.

During the initial stages of our review, Hearings and Appeals officials requested that we include an evaluation of the field office structure. Specifically, we were requested to examine the field office staffing levels and locations of the field offices to determine whether consolidation of some of the offices would improve operations and reduce costs. We worked collaboratively with Hearings and Appeals officials throughout the review in evaluating the effects of closing specific offices. For example, during regular meetings with Hearings and Appeals officials, the officials provided information on the impact that closing specific offices at this time would have on program operations, and we provided information regarding potential cost savings and additional costs resulting from closing offices and relocating or terminating staff. As a result of our analysis and its own program considerations, Hearings and Appeals indicated that the following organizational changes represented the best alternative at the present time: closing the Phoenix and Billings offices and transferring the work load to the Salt Lake City office; closing the Knoxville office and transferring the work load to the Twin Cities office; and transferring the White Earth Settlement Act office in Phoenix to Twin Cities.

Based on our analysis of various factors, such as employee vacancies and the eligibility of individuals for retirement, and on discussions with Hearings and Appeals officials, we concluded that the consolidation of field offices would provide an effective means of reducing program costs relating to infrastructure (such as office rent and utilities) and administrative and equipment support while increasing

¹This number is derived by dividing pending cases (3,710) by decided cases (3,090) and multiplying the result (1.2 years) by 12 months. This computation assumes that pending cases can be decided at the same rate as the cases decided in the previous year.

productivity. Consolidating offices would allow for a greater pool of shared staff and greater collaboration among professional staff, as well as savings on rent and equipment requirements. Consolidation would also facilitate the scheduling of hearings during the winter months, since the serviced areas are accessible from either of the proposed major office locations (Salt Lake City or Twin Cities). For example, some field offices do not hold Indian probate hearings during the winter months because their case load is in areas subject to inclement weather. Consolidation of field offices would result in a case load for which hearings could be held year-round. Our analysis showed that an estimated \$161,000 could be saved for the first year (cost savings are offset in part by relocation and severance costs) and about \$747,000 each year thereafter if the following changes are made at this time:

- Closing the Knoxville office and transferring the work load to the Twin Cities office. In our review of the Knoxville and Twin Cities offices, we concluded that the Knoxville office, when compared with the other offices, did not have a sufficient case load to justify two judges² and three support staff. As of April 30, 1996, the office had only 90 Indian probate cases and 88 public lands cases pending (primarily Surface Mining Control and Reclamation Act cases). Most of the public lands cases were awaiting action or information from the parties involved and were not being actively worked. All of the Indian probate cases for this office involved Indian tribes located in Michigan, which is accessible by the Twin Cities office at airfares similar to those from Knoxville. Furthermore, the Twin Cities office is located in a hub city for air travel, with regular flights to cities in Pennsylvania, Kentucky, and Tennessee, where hearings on Surface Mining Act cases (which are handled by the Knoxville office) are held. In addition, consolidating the Knoxville office with the Twin Cities office would result in cost savings through the reduction of costs for infrastructure and personnel. These cost savings would be partially offset in the first year by severance costs of \$25,000 for those support staff not eligible for retirement. Transferring additional work load to the Knoxville office instead of closing the office may increase overall productivity of the Hearings Division; however, it would not result in any cost savings. Finally, consolidating the case loads of the two offices into the Twin Cities office rather than the Knoxville office would be more feasible because the Indian probate case load in the Twin Cities office is the highest within the Hearings Division and its productivity per judge is also among the highest in the average number of cases decided each year.

- Closing the Billings office and transferring the work load to the Salt Lake City office. According to Hearings and Appeals officials, the judge in the Billings office plans to retire this fiscal year, and the legal clerk position is vacant. We believe that this situation presents the opportunity to close the office and save the money that would be spent on the infrastructure. The areas served by the Billings

²The Knoxville office had only one judge prior to February 1995.

office (Montana, Idaho, Wyoming, and eastern Washington) are easily accessible from Salt Lake City, and the case work load, which consists primarily of Indian probate cases, as well as the administrative law judge position, can be transferred to that office.

- Closing the Phoenix office and transferring the work load to the Salt Lake City office. Our analysis indicated that consolidating the Billings and Phoenix offices into the Salt Lake City office would result in cost savings through the reduction of infrastructure costs. The office in Salt Lake City can accommodate three judges and staff, but the other offices do not have sufficient space to accommodate the required staff after consolidation. The areas serviced by the Billings and Phoenix offices are all easily accessible from Salt Lake City. In addition, the cost per square foot for office space in Phoenix is \$18.43, while the cost per square foot for office space in Salt Lake City is \$11.98 per square foot. The airfare from Salt Lake City to Phoenix is only about \$50 one way. By consolidating the two offices, Salt Lake City could accommodate the serviced areas now handled by Phoenix with little increase in travel expenses. The Salt Lake City judges would be able to travel to hearings in the Phoenix area during the winter months and continue with the hearings in northern areas such as Alaska, South Dakota, and Montana when the weather is warmer. In addition, Salt Lake City has two judges, while Phoenix has only one. Also, Salt Lake City has a significantly larger case work load (as of April 30, 1996, Salt Lake City had 127 public lands cases and 646 Indian probate cases, and Phoenix had 26 public lands cases and 342 Indian probate cases).

- Relocating the White Earth Land Settlement Act office in Phoenix to the Twin Cities office. An administrative judge from the Office of the Director, whose principal responsibilities relate to resolving issues under the White Earth Settlement Act, is located in Phoenix. The Twin Cities office, however, is the field office closest to White Earth tribal lands, which are also in Minnesota. This transfer of functions would allow for savings on costs for infrastructure, provide more effective resolution of Settlement Act issues, and preclude extensive travel. Also, according to Hearings and Appeals officials, the transfer would allow for utilization of the incumbent's legal skills in support of public lands cases handled by the Twin Cities office.

Our analyses of the other Hearings Division field offices are summarized as follows:

- Most of the work load of the Sacramento office is in the Northwestern states and could be consolidated effectively with the Salt Lake City office, with savings in infrastructure costs and minimal increases in travel costs. However, Hearings and Appeals officials said that the Sacramento judge plans to retire within the next 5 years and expressed concern that closing the Sacramento office at this time would negatively impact productivity.

- The Oklahoma City office is centered among the tribes it services, and its travel costs and office rental costs are the lowest of the eight field offices. Therefore, we do not believe that significant cost savings would be achieved by closing the office at this time.

- The Albuquerque office serves the largest Indian tribe, the Navajo Nation. According to Hearings and Appeals officials, special language skills are required to hear probate cases involving the tribe members, and the office currently utilizes one of its support staff as an interpreter during some hearings. In addition, the Albuquerque office had the second largest public lands case work load, which, according to Hearings and Appeals officials, consists primarily of local potash cases that are scheduled for hearings in Albuquerque and that may not be resolved for several years.

We concluded that the consolidation of offices would not adversely affect the ability of Hearings and Appeals to adequately serve the Indian tribes on matters relating to Indian probate or to the White Earth Settlement Act, or result in a significant increase in travel costs. Most of the tasks required to bring a probate case to hearing and to draft a decision are not dependent on being near a Bureau of Indian Affairs office and are mainly administrative in nature. These tasks include reviewing the case files submitted by the Bureau for completeness, following up with the Bureau to obtain missing information, scheduling hearings, and preparing and sending hearing notices to interested parties. Therefore, a paralegal and a legal clerk could perform most of the work at any location that provided adequate airline service to locations where the probate case hearings would be held. Also, as discussed in the Administrative Staff section of this report, consolidating the offices would allow Hearings and Appeals to establish administrative support staff pools, which would increase the efficiency of case processing. Accordingly, Indian probate cases would be expedited, and the services to the beneficiaries of Indian estates would be enhanced.

In addition, we noted that 76 (88 percent) of the 86 hearing sites required overnight travel. We concluded that the additional travel costs would involve only incremental costs of travel from the consolidated office versus travel from the original office location. Based on the estimated number of trips required to conduct hearings, we believe that the increased costs related to travel would be minimal. For example, of the 216 cases scheduled to be heard in the Phoenix area, only 90 can be conducted by the existing Phoenix office without overnight travel. We estimated that the 90 hearings would take about 7.5 days to complete. Accordingly, the incremental costs to conduct the 90 hearings from the Salt Lake City office would be about \$1,400 (airfare, per diem, and rental car). Since the remaining 126 hearings would require overnight travel from either office location, the increase would be minimal for the 126 hearings.

Administrative Staff

Much of the work involved in processing Indian probate cases is administrative and, except for conducting the hearing, is generally performed by support staff. Work performed by the support staff includes reviewing the files submitted by the Bureau of Indian Affairs for completeness and requesting additional information from the Bureau, scheduling hearings, preparing notices to interested parties, and drafting the decisions (some judges draft their own decisions). During our review, we found that delays in processing Indian probate cases at three of the offices visited (Twin Cities, Salt Lake City, and Phoenix) occurred primarily because of the lack of administrative support. Specifically, hearings had been held and the judges' decisions had been written, but the decisions had not been processed by the administrative staff. For example, at the time of our site visit to the Phoenix office, one judge stated that he had 50 cases for which hearings were held in November 1995 but which were not closed because of lack of clerical support. In addition, one judge at the Twin Cities office stated that the primary reason for the reduction in cases decided by him and for the case backlog was the loss of his permanent support staff from May 1994 until January 1996. This situation occurred, in part, because support staff members, except for staff members at the Salt Lake City office, were assigned to a specific judge and did not provide administrative support to the other judge. Each of the four offices we visited had two judges, and each office was also authorized to have one paralegal and one legal clerk. We believe that for field offices which have more than one administrative law judge, the use of administrative support staff pools would ensure more timely processing of cases by reducing delays resulting from periodic imbalances in work load, temporary absences, or loss of a judge's support staff. We also believe that productivity could be increased by ensuring that the administrative staff (attorney, paralegal, or legal clerk) are utilized in the Indian probate process to the greatest extent possible.

Automated Case Processing

We reviewed the automated procedures and systems for case docketing and case processing to determine whether efficiency could be improved through the use of standardized procedures and systems. We concluded that adequate systems existed for both public lands and Indian probate cases, but that those systems were not being fully utilized by all offices.

Tracking and Processing Indian Probate Cases. The software system that was developed by a Hearings and Appeals task force enables the field offices to maintain Indian probate and public lands dockets, track the status of the cases, and file monthly reports. The system also provides an automated process for preparing notices of Indian probate hearings and preparing the actual decision document. Although all eight field offices were using the system to maintain dockets, track the status of cases, and file monthly reports, only the Oklahoma City, Sacramento, and

Twin Cities offices were using the system to prepare notices and decisions. Personnel at these three offices said that use of this system since November 1995 reduced processing time and therefore increased productivity for probate cases by between 35 and 50 percent.

Tracking Public Lands Cases. The public lands dockets for each field office are submitted to the Arlington headquarters office via a monthly report. This report is not an effective management tool because it does not include sufficient information on the status of each case. The inclusion of case status information would allow the field offices and the Arlington headquarters office to monitor case progress and determine the disposition of any case. The Interior Board of Land Appeals uses a database system that provides for the reporting of case status information. We believe that Hearings and Appeals should consider using a similar system in the Hearings Division's field offices.

Recommendations

We recommend that the Director, Office of Hearings and Appeals:

1. Consider the results of our analysis in making any decisions regarding the closure or consolidation of field offices.
2. Operate the administrative support staff on a pool basis in those field offices that have more than one administrative law judge.
3. Require all field offices to use the automated Indian probate case processing system for issuing notices and preparing decisions.
4. Implement a public lands case tracking system in the field offices which would include more information on case proceedings and status to allow better monitoring of individual cases.

The July 24, 1996, response (Appendix 5) to the draft report from the Director, Office of Hearings and Appeals, concurred with the four recommendations. Accordingly, the four recommendations are considered resolved but not implemented and will be referred to the Assistant Secretary for Policy, Management and Budget for tracking of implementation. Therefore, no further response to the Office of Inspector General is required (see Appendix 6).

The legislation, as amended, creating the Office of Inspector General requires semiannual reporting to the Congress on all reports issued, the monetary impact of the findings (Appendix 1), actions taken to implement audit recommendations, and identification of each significant recommendation on which corrective action has not been taken.

cc: Assistant Secretary for Policy, Management and Budget

CLASSIFICATION OF MONETARY AMOUNTS

<u>Finding</u>	<u>Funds To Be Put To Better Use</u>
Reorganization:	
Year 1	\$161,000
Years 2 through 5 (\$747,000 per year times 4 years)	<u>2,988,000</u> <u><u>\$3,149,000</u></u>

**OFFICE OF HEARINGS AND APPEALS,
HEARINGS DIVISION,
CONSOLIDATION CASE WORK LOAD, STAFFING, AND ESTIMATED COSTS**

<u>Current Organization</u>	<u>Knoxville</u>	<u>Twin Cities</u>	<u>Albuquerque</u>	<u>Oklahoma</u>	<u>Billings</u>	<u>Salt Lake City</u>	<u>Phoenix¹</u>	<u>Sacramento</u>	<u>Totals</u>
Case Work Load²									
- Public Lands	88	4	123	17	11	127	26	14	410
- Indian Probate	90	689	355	387	273	646	342	535	3,317
Staffing^{2, 3}									
- Judges	2	2	1	1	1	3	2	1	13
- Administrative	3	4	2	2	2	5	6	2	26
Estimated Costs⁴									
- Salaries & Benefits	\$339,479	\$390,575	\$187,169	\$185,043	\$194,340	\$556,597	\$515,656	\$192,278	\$2,561,137
- Office Rent & Util.	31,137	42,434	36,542	23,818	33,858	37,078	55,994	42,290	303,151
- Travel	10,102	8,327	9,141	5,053	6,214	29,979	18,599	26,307	113,722
- Other Services ⁵	24,033	45,638	5,519	7,488	9,356	61,760	26,793	5,894	186,481
- Miscellaneous ⁶	<u>4,166</u>	<u>5,532</u>	<u>5,532</u>	<u>5,532</u>	<u>5,532</u>	<u>3,378</u>	<u>9,032</u>	<u>5,532</u>	<u>44,236</u>
Total	<u>\$408,917</u>	<u>\$492,506</u>	<u>\$243,903</u>	<u>\$226,934</u>	<u>\$249,300</u>	<u>\$688,792</u>	<u>\$626,074</u>	<u>\$272,301</u>	<u>\$3,208,727</u>

¹The figures include the Phoenix Hearing Division office and the Director's White Earth Settlement Act office.

²The figures are as of April 30, 1996.

³The figures include four vacancies.

⁴The estimated costs are based on fiscal year 1995 and 1996 actual costs.

⁵The figures include contractual services, such as temporary personnel and court reporting.

⁶The figures include supplies and materials, equipment, and printing and reproduction.

First Year After Reorganization

	Knoxville	Twin Cities	Albuquerque	Oklahoma	Billings	Salt Lake City	Phoenix	Sacramento	Totals
Case Work Load									
- Public Lands	0	92	123	17	0	164	0	14	410
- Indian Probate	0	1,052	355	387	0	988	0	535	3,317
staffing									
- Judges	0	4	1	1	0	3	0	1	10
- Administrative	0	7	2	2	0	8	0	2	21
Estimated Costs									
- Relocation/Severance	Closed	\$271,426	\$0	\$0	Closed	\$314,601	Closed	\$0	\$586,027
- Salaries & Benefits	0	728,992	187,169	185,043	0	680,254	0	192,278	1,973,736
- Office Rent & Util.	0	53,044	36,542	23,818	0	39,024	0	42,290	194,718
- Travel	0	36,199	9,141	5,053	0	53,436	0	26,307	130,136
- Other Services ⁵	0	50,202	5,519	7,488	0	67,936	0	5,894	137,039
- Miscellaneous ⁶	0	6,085	5,532	5,532	0	3,716	0	5,532	26,397
Total	0	1,145,948	243,903	226,934		1,158,967		272,301	3,048,053
Savings	<u>(\$408,917)</u>	<u>\$653,442</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$249,300)</u>	<u>\$470,174</u>	<u>(\$626,074)</u>	<u>\$0</u>	<u>(\$160,674)</u>

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Second Year of Reorganization

	Knoxville	Twin Cities	Albuquerque	Oklahoma	Billings	Salt Lake City	Phoenix	Sacramento	Totals
Case Work Load									
- Public Lands	0	92	123	17	0	164	0	14	410
- Indian Probate	0	1,052	355	387	0	988	0	535	3,317
staffing									
- Judges	0	4	1	1	0	3	0	1	10
- Administrative	0	7	2	2	0	8	0	2	21
Estimated Costa									
- Salaries & Benefits	\$0	\$728,992	\$187,169	\$185,043	\$0	\$680,254	\$0	\$192,278	\$1,973,736
- Office Rent & Util.		53,044	36,542	23,818	0	39,024	0	42,290	194,718
- Travel	0	36,199	9,141	5,053	0	53,436	0	26,307	130,136
- Other Services ⁵	0	50,202	5,519	7,488	0	67,936	0	5,894	137,039
- Miscellaneous ⁶	0	6,085	5,532	5,532	0	3,716	0	5,532	26,397
Total			243,903	226,934		844,366		272,301	2,462,026
Savings	<u>(\$408,917)</u>	<u>\$382,016</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$249,300)</u>	<u>\$155,573</u>	<u>(\$626,074)</u>	<u>\$0</u>	<u>(\$746,701)</u>

**OFFICE OF HEARINGS AND APPEALS,
HEARINGS DIVISION,
PUBLIC LANDS CASE WORK LOAD**

Case Dispositions¹ and Cases Pending)

Field Office	FY 91		FY 92		FY 93		FY 94		FY 95		Number of Cases Pending as of 4/30/96
	No. of Case Dispositions	No. of Cases Pending at FYE ²	No. of Case Dispositions	No. of Cases Pending at FYE	No. of Case Dispositions	No. of Cases Pending at FYE	No. of Case Dispositions	No. of Cases Pending at FYE	No. of Case Dispositions	No. of Cases Pending at FYE	
Arlington, VA ³	18	0	0	0	0	0	0	0	0	0	0
Albuquerque, NM ⁴	0	0	0	0	0	0	0	0	1	109	123
Billings, MT ⁴	0	0	0	0	0	0	0	0	0	8	11
Knoxville, TN	81	125	137	102	71	132	86	122	54	105	88
Oklahoma City, OK ⁴	0	0	0	0	0	0	0	0	1	19	17
Phoenix, AZ ⁴	0	0	0	0	0	0	0	0	44	91	26
Sacramento, CA ⁴	0	0	0	0	0	0	0	0	0	8	14
Salt Lake City, UT ⁵	137	136	157	61	156	135	144	131	153	149	127
Twin Cities, MN ⁴	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>4</u>
Total	<u>236</u>	<u>261</u>	<u>294</u>	<u>163</u>	<u>227</u>	<u>267</u>	<u>230</u>	<u>253</u>	<u>253</u>	<u>491</u>	<u>410</u>

¹Case dispositions include cases decided and dismissed.

²Fiscal year end.

³The Arlington field office closed in March 1991.

⁴These offices handled only Indian probate hearings until 1995.

⁵The Salt Lake City office had three administrative law judges until May 1995. when one of the judges was detailed to the Phoenix office.

**OFFICE OF HEARINGS AND APPEALS,
HEARINGS DIVISION,
INDIAN PROBATE CASE WORK LOAD**

Field Office	FY 91		FY 92		FY 93		FY 94		FY 95		Avg. No. Judges at Field Office per Year	Avg. No. Cases-Decided per Judge for 5-Year Period	No. of Cases Pending as of 4/30/96
	No. of Cases Pending Decided at FYE	No. of Cases Pending Decided at FYE	No. of Cases Pending Decided at FYE	No. of Cases Pending Decided at FYE	No. of Cases Pending Decided at FYE	No. of Cases Pending Decided at FYE	No. of Cases Pending Decided at FYE	No. of Cases Pending Decided at FYE	No. of Cases Pending Decided at FYE	No. of Cases Pending Decided at FYE			
Albuquerque, NM	268	224	276	519	387	458	266	508	414	366	1	322	355
Billings, MT	292	364	360	342	560	308	350	370	313	341	1	375	273
Knoxville, TN	--	--	--	--	--	--	--	--	10	137	1	-- ²	90
Oklahoma City, OK	305	331	379	290	274	291	357	351	384	421	1	340	387
Phoenix, AZ	304	286	346	255	365	213	324	353	330	317	2 ³	334	342
Rapid City, SD	456	385	551	373	1934	493	3054	--	--	-- ⁴	1	376	-- ⁴
Sacramento, CA	473	770	425	442	405	525	429	627	503	700	1	447	535
Salt Lake City, UT	--	--	106	157	195	173	204	446	313	471	-- ⁵	-- ⁵	6465
Twin Cities, MN	649	774	732	<u>871</u>	706	1043	709	1315	823	<u>957</u>	2	362	<u>689</u>
	<u>2747</u>	<u>3134</u>	<u>3175</u>	<u>3249</u>	<u>3085</u>	<u>3504</u>	<u>2944</u>	<u>3970</u>	<u>3090</u>	<u>3710</u>			<u>3317</u>

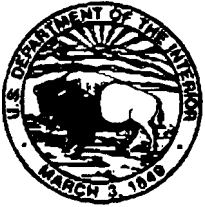
¹Fiscal year end.

²A statistic is not presented because, although both judges were assigned probate cases, only one judge held hearings and rendered decisions. In addition, probate work did not start until the implementation of work load cross-utilization. The April 30, 1996, pending cases are for two judges (70+20 cases).

³Until the implementation of the cross-utilization plan, the Phoenix office operated with one judge. A second judge, detailed to the Phoenix office in May 1995, held some hearings but did not decide any cases during fiscal year 1995. The second judge retired in May 1996.

⁴Rapid City case statistics for 1993 and 1994 are not representative because there was a turnover of judges in 1994 and the Rapid City office closed in June 1994.

⁵Statistics are not presented because the number of judges working on probate varied from one in 1992 and 1993 to three in portions of 1994 and 1995. In addition, judges divided work between probate and public lands cases. The 646 pending cases are for two judges (309 and 337 cases).



United States Department of the Interior

OFFICE OF HEARINGS AND APPEALS

4015 Wilson Boulevard
Arlington, Virginia 22203

July 24, 1996

IN REPLY REFER TO:

Memorandum

To : Judy Harrison
Assistant Inspector General for Audits

From: Barry E. Hill
Director

Subject : OHA's Response to the Special Report on the Hearings
Division

The purpose of this memorandum is to respond to the preliminary draft of the Special Report entitled, "Case Work Load Management at the Hearings Division, Office of Hearings and Appeals (Assignment No. E-IN-OSS-004-96)."

Please be advised that the senior management of the Office of Hearings and Appeals (OHA) is in concurrence with all of the findings and recommendations offered by the Office of Inspector General (OIG). Specifically, OHA will:

1. Restructure the Hearings Division by consolidating the Billings and Phoenix offices with the Salt Lake City office, and the Knoxville office with the Twin Cities office in order to more effectively utilize existing resources and increase efficiency.
2. Relocate the administrative judge position in the Phoenix office to the Twin Cities office.
3. Evaluate, after the initial consolidation of offices, the need for further consolidation.
4. Operate the administrative support staff on a pool basis in those field offices that have more than one administrative law judge.
5. Require all field offices to use the automated Indian probate case processing system for issuing notices and preparing decisions.
6. Implement a public lands case tracking system in the field offices which would include more information on case proceedings and **status** to allow better monitoring of individual cases.

Please also be advised that, upon review, OHA is in concurrence with the cost savings of about \$161,000 in the first year of consolidation, and about \$747,000 per year thereafter- OHA further agrees that these funds will be put to better use. Specifically, **OHA senior** management has determined that those funds will be used to address other problem areas throughout OHA so that the overall mission of the office can be accomplished more effectively. We recognize that OHA must respond to the steady and continuous reduction in funding for full-time equivalent (FTE) positions. In that regard, OHA staffing has been reduced successively from 104 FTE's in 1989, to 100 FTE's in 1991, to 89 FTE's in 1995, and to 84 FTE's in 1996. Thus, OHA will transfer and/or deploy personnel, as needed, throughout the office as a result of the findings and recommendations in the OIG's Special Report.

OHA has developed a plan of action to implement the Special Report's recommendations. This Implementation Plan shall be discussed with Bonnie R. Cohen, Assistant Secretary, Policy, Management and Budget, and Brooks Yeager, Deputy Assistant Secretary for Policy.

The Implementation Plan indicates that James P. Terry, Deputy Director, and Louise T. Curtis, Administrative Officer, will be directly responsible for carrying out all aspects of the plan. In addition, all aspects **of** the Implementation Plan will be completed on or before August 1, 1996.

In conclusion, on behalf of the OHA, I would like to extend my ~~appreciation to the Audit Team who conducted this review.~~ Their **dedication and care in learning about the office, examining the** issues, and providing cogent analyses and recommendations are most appreciated.

STATUS OF AUDIT REPORT RECOMMENDATIONS

Finding/Recommendation Reference	Status	Action Required
1 - 4	Resolved; not implemented.	No further response to the Office of Inspector General is required. The recommendations will be referred to the Assistant Secretary for Policy, Management and Budget for tracking of implementation.

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